the global economy—the taxation of the Internet. The Internet has not reached its full potential, but electronic commerce has already generated $1 billion. Congress should support H.R. 4105, the Internet Tax Freedom Act, because unwarranted taxation of the Internet would only stifle the growth of this young and dynamic communications system.

This bill is crucial to communications in the 21st Century. Taxation leads to a lack of competition, with the telephone industry as a perfect example. The Internet is a valuable resource to which as many people as possible should have access. If competition is hindered, less people will be able to utilize this important communications tool.

There are many problems with Internet taxation. Several States tax Internet access under existing statutes, including Iowa, Connecticut, Illinois, and the District of Columbia. We need this legislation now because the number of States taxing this industry could expand very quickly as States search for new means to expand their tax base. This bill needs to be passed as a proactive measure, and not a reactive measure after every State has adopted different taxation laws. There are more than 4,000 Internet Service Providers in this country, and most of them are small businesses. How can these small businesses survive when individual States are playing with different tax codes?

The Internet has no specific boundaries and its transmissions are therefore vulnerable to multiple taxation from States and localities. If everyone takes a cut from different points of creation, then State and local taxes will kill the goose that laid the golden egg. Multiple taxation would cause confusion and would provide a disincentive for free dissemination of information and ideas. Because of the Internet's easy accessibility from anywhere in the world, home-bound, disabled, and elderly people have access to information and resources that they would not otherwise have.

American providers of this service need a level playing field in order to remain competitive with other global providers. The growth of Internet and online services will increase the productivity of many different businesses, making them more competitive globally and therefore expanding U.S. sales of new products and services. As we are move toward international agreements on Internet taxation, we must first move to come to a consensus on how we tax the Interet within our own country. Finally, the Internet has shown great possibilities in the future for commercial users. It allows people to create their ''own'' market.

Our goal is not to permanently make Internet transactions tax-free. We simply want to provide safeguards against multiple or special taxation. We are not trying to make Internet transactions tax-free. Rather, we want to stop multiple or special taxation. For example, a business selling goods in a retail store operates under a single set of tax rules, but a business selling goods over the Internet is subject to much more uncertainty. It is also potentially subject to thousands of State and local taxing jurisdictions.

H.R. 4105 would establish a moratorium on State and local taxes which specifically target the Internet, such as taxes on Internet access or online services. It would also commission a 2-year study of sub-national and foreign taxation of Internet commerce. This study would ensure that lawmakers do not enact new taxes without proper data. Last, the bill calls on the Clinton administration to be as aggressive as possible in keeping the Internet free from anti-competitive taxes and tariffs.

I urge Congress to support H.R. 4105, the Internet Tax Freedom Act. If we allow the Internet to be taxed at different points along the way, we are ultimately restricting access to it. Americans already pay enough taxes. Why should we expose them to multiple taxes on the Internet when it will only restrict the access to, growth of, and competition in this essential resource?

With that, Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania (Mr. GEKAS) that the House suspend the rules and pass the bill, H.R. 4105.

The question was taken; and (two-thirds having voted in favor thereof), the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

UNFAIRNESS IN TAX CODE: MARRIAGE TAX PENALTY

(Mr. WELLER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WELLER. Mr. Speaker, let me explain why enactment of the Marriage Tax Elimination Act is so important for working families, with a series of questions.

Do Americans feel that it is fair that our Tax Code imposes a higher tax on working married couples just because they are married?

Do Americans feel that it is fair that 21 million married working couples pay on the average $1,400 more in higher taxes than an identical couple with an identical income who live together outside of marriage?

Do Americans feel it is right that our Tax Code actually provides an incentive to get divorced?

Twenty-one million couples pay on the average $1,400 more just because they are married. Back in the south suburbs of Chicago where I have the privilege of representing, $1,400 is one year's tuition at Joliet Junior College, our local community college. It is three months of day care at a local day care center. That is real money.

This summer this House made a commitment to address and eliminate the marriage tax penalty with the passage of the House budget resolution just a short 2 weeks ago, a budget that spends less and taxes less. Let us honor that commitment, let us eliminate the marriage tax penalty. Let us eliminate it now.

UNFAIRNESS IN TAX CODE: MARRIAGE TAX PENALTY

Mr. WELLER. Mr. Speaker, I rise today to highlight what is arguably the most unfair provision in the U.S. Tax Code: the marriage tax penalty. I want to thank you for your long term interest in bringing parity to the tax burden imposed on working married couples compared to a couple living together outside of marriage.

I would also like to commend the leadership of House budget Chairman KASICH for including elimination of the marriage tax penalty as a top priority in this budget resolution. The Republican House Budget Resolution will save a penny on every dollar and use those savings to relieve families of the marriage penalty and restore a sense of justice to every man and women who decides to get married.

Many may recall in January, President Clinton gave his State of the Union Address outlining many of the things he wants to do with the budget surplus.

A surplus provided by the bipartisan budget agreement which: cut waste, put America's fiscal house in order, and held Washington's feet to the fire to balance the budget.

While President Clinton paraded a long list of new spending totaling at least $46–$48 billion in new programs—we believe that a top priority should be returning the budget surplus to America's families as additional middle-class tax relief.

This Congress has given more tax relief to the middle class and working poor than any Congress of the last half century.

I think the issue of the marriage penalty can best be framed by asking these questions: Do Americans feel its fair that our tax code imposes a higher tax penalty on marriage? Do Americans feel its fair that the average married working couple pays almost $1,400 more in taxes than a couple with almost identical income living together outside of marriage? Is it right that our tax code provides an incentive to get divorced?

In fact, today the only form one can file to avoid the marriage tax penalty is paperwork for divorce. And that is just wrong!

Since 1969, our tax laws have punished married couples when both spouses work. For no other reason than the decision to be joined in holy matrimony, more than 21 million couples a year are penalized. They pay more in taxes than they would if they were single. Not only is the marriage penalty unfair, it's wrong that our tax code punishes society's most basic institution. The marriage tax penalty exacts a disproportionate toll on working women and lower income couples with children. In many cases it is a working women's issue.

Let me give you an example of how the marriage tax penalty unfairly affects middle class married working couples.

For example, a machinist, at a Caterpillar manufacturing plant in my home district of Joliet, makes $30,500 a year in salary. His wife is a tenured elementary school teacher, also bringing home $30,500 a year in salary. If they would both file their taxes as singles, as individuals, they would pay 15%.

MARRIAGE PENALTY EXAMPLE IN THE SOUTH SUBURBS

	Machinist	School teacher	Couple	Weller/McIntosh II
Adjusted Gross Income	$30,500	$30,500	$61,000	$61,000
Less Personal Exemption and Standard Deduction	$6,550	$6,550	$11,800	$13,100 (Singles x2)
Taxable Income	$23,950	$23,950	$49,200	$47,900
	(x .15)	(x .15)	(Partial x .28)	(x .15)
Tax Liability	$3,592.5	$3,592.5	$8,563	$7,185
Marriage Penalty			$1,378	Relief $1,378

Weller-McIntosh II Eliminates the Marriage Tax Penalty

But if they chose to live their lives in holy matrimony, and now file jointly, their combined income of $61,000 pushes them into a higher tax bracket of 28 percent, producing a tax penalty of $1400 in higher taxes.

On average, America's married working couples pay $1,400 more a year in taxes than individuals with the same incomes. That's serious money. Millions of married couples are still stinging from April 15th's tax bite and more married couples are realizing that they are suffering the marriage tax penalty.

Particularly if you think of it in terms of: a down payment on a house or a car, one year's tuition at a local community college, or several months worth of quality child care at a local day care center.

To that end, Congressman DAVID MCINTOSH and I have authored the Marriage Tax Penalty Elimination Act.

The Marriage Tax Penalty Elimination Act will increase the tax brackets (currently at 15% for the first $24,650 for singles, whereas married couples filing jointly pay 15% on the first $41,200 of their taxable income) to twice that enjoyed by singles; the Weller-McIntosh proposal would extend a married couple's 15% tax bracket to $49,300. Thus, married couples would enjoy an additional $8,100 in taxable income subject to the low 15% tax rate as opposed to the current 28% tax rate and would result in up to $1,053 in tax relief.

Additionally the bill will increase the standard deduction for married couples (currently $6,900) to twice that of singles (currently at $4,150). Under the Weller-McIntosh legislation the standard deduction for married couples filing jointly would be increased to $8,300.

Our new legislation builds on the momentum of their popular H.R. 2456 which enjoyed the support of 238 cosponsors and numerous family, women and tax advocacy organizations. Current law punishes many married couples who file jointly by pushing them into higher tax brackets. It taxes the income of the families' second wage earner—often the woman's salary—at a much higher rate than if that salary was taxed only as an individual. Our bill already has broad bipartisan cosponsorship by Members of the House and a similar bill in the Senate also enjoys widespread support.

It isn't enough for President Clinton to suggest tax breaks for child care. The President's child care proposal would help a working couple afford, on average, three weeks of day care. Elimination of the marriage tax penalty would give the same couple the choice of paying for three months of child care—or addressing other family priorities. After all, parents know better than Washington what their family needs.

We fondly remember the 1996 State of the Union address when the President declared emphatically that, quote ''the era of big government is over.''

We must stick to our guns, and stay the course.

There never was an American appetite for big government.

But there certainly is for reforming the existing way government does business.

And what better way to show the American people that our government will continue along the path to reform and prosperity than by eliminating the marriage tax penalty.

Ladies and Gentlemen, we are on the verge of running a surplus. It's basic math.

It means Americans are already paying more than is needed for government to do the job we expect of it.

What better way to give back than to begin with mom and dad and the American family—the backbone of our society.

We ask that President Clinton join with Congress and make elimination of the marriage tax penalty * * * a bipartisan priority.

Of all the challenges married couples face in providing home and hearth to America's children, the U.S. Tax Code should not be one of them.

Lets eliminate The Marriage Tax Penalty and do it now!

WHICH IS BETTER?

Note: The President's Proposal to expand the child care tax credit will pay for only 2 to 3 weeks of child care. The Weller-McIntosh Marriage Tax Elimination Act HR 2456, will allow married couples to pay for 3 months of child care.

WHICH IS BETTER, 3 WEEKS OR 3 MONTHS?

[Child Care Options Under the Marriage Tax Elimination Act]

	Average tax relief	Average weekly day care cost	Weeks day care
Marriage tax elimination act	$1,400	$127	11
President's child care tax credit	$358	$127	2.8

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 1997, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

EXCHANGE OF SPECIAL ORDER TIME

Mr. MILLER of Florida. Mr. Speaker, I ask unanimous consent to take the 5 minutes of the gentleman from California (Mr. HORN).

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

A CRITICAL MOMENT FOR THE 2000 DECENNIAL CENSUS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. MILLER) is recognized for 5 minutes.

Mr. MILLER of Florida. Mr. Speaker, I rise tonight at a critical moment for the 2000 decennial census. Today the President nominated Dr. Ken Prewitt for director of the Census Bureau.

As everyone involved with the 2000 Census knows, the operation is at a high risk for failure. The Government Accounting Office has warned we are headed towards failure, and the Commerce Department's own Inspector General has warned we are headed towards failure.

When I became chairman of the new Subcommittee on the Census, I made a controversial statement. I said I did not have any litmus test for the new census director. I said what we needed was a competent manager who was committed to working cooperatively with Congress.

Unfortunately, I think the President had a litmus test. Dr. Prewitt's background does not have anything to suggest he can lead a huge organization at a time of crisis. He has admitted that he has never run anything of the magnitude of the Census Bureau. Basically, for a short time he ran a think tank, and that is it.

The decennial census is the largest peacetime mobilization in American history. The Census Bureau needs a General Schwarzkopf, not a professor Sherman Klunk, to save the census. So why would the President nominate an academic? Because of politics. Dr. Prewitt supports the President's sampling scheme, so he received the nomination.

Basically, while I had no litmus test, the President certainly did. In recent weeks I have noticed an increasing politicizing of the 2000 census. The President tried to divide America in his most recent speech by promising some areas more money if they followed his plan, without telling the American people which communities he plans to take money from. It is a zero sum game. If you promise one area more, it comes from another part of America.